

Virgin Orbit files for bankruptcy

Billionaire Richard Branson's ambitious plans to launch the first satellites from the UK came crashing down to earth today after the company into which he had poured over \$1 billion in cash filed for bankruptcy.

[Virgin Orbit](#), which Branson founded in 2017, said it had commenced a Chapter 11 proceedings at a US Bankruptcy Court in the District of Delaware in order to sell the business after being unable to attract enough funding to secure its future.

A Virgin Group spokesperson said: "Richard Branson and the Virgin Group have supported Virgin Orbit over the long term, investing more than \$1 billion in the Company, including \$60 million since November 2022.

"However, this significant funding was not enough to counter the strong headwinds and liquidity challenges Virgin Orbit continues to face.

Virgin Orbit CEO Dan Hart said: "We believe that the cutting-edge launch technology that this team has created will have wide appeal to buyers as we continue in the process to sell the company."

Read More

- [Richard Branson loses £1.5 billion from Virgin Orbit shares amid funding crisis](#)
- [Richard Branson's Virgin Orbit on brink as it axes 675 workers](#)
- [Saga sees cruise business bounce back, but losses jump amid insurance hit](#)

- SPONSORED

[Top UK schools and educational centres to consider this year](#)

Virgin Orbit said it did not have enough resources to put together an annual report for 2022. The firm said it expects to post a loss for the year of \$157 million and was sitting on a deficit of over \$1 billion.

Last week, the company abruptly sacked 85% of its workforce, amounting to nearly 700 employees as it warned it had not “generated sufficient revenues to provide sufficient cash flows to enable us to finance our operations, and may not be able to raise sufficient capital to do so.”

In January Virgin Orbit’s attempt at its first ever satellite launch from UK ended in failure after the system “experienced an anomaly” at some point during the firing of the rocket’s second stage engine, ending the mission prematurely.

The company was adamant its inaugural launch attempt was “a major step forward” and vowed to “return to orbit as soon as we have completed a full investigation and mission assurance process.”

The decision to file for bankruptcy comes as a major blow to the UK government’s space ambitions, for which the company’s projects were considered a lynchpin.

Transport secretary Mark Harper had previously described the activity of Virgin Orbit as “reinforcing our position as a leading space nation as we look to the future of spaceflight, which can spur growth and innovation across the sector, as well as creating thousands of jobs and apprenticeships.”

Branson’s share in the New York-listed business had been worth more than \$2 billion at its peak in late 2021, but has plunged

97% over the past year and could now be worthless. The entrepreneur, who also founded space tourism business Virgin Galactic, is worth £3.7 billion according to an Evening Standard estimate.